



**U.S. CONSUMER PRODUCT SAFETY COMMISSION**  
**WASHINGTON, DC 20207**

Record of Commission Action  
Commissioners Voting by Ballot\*

Commissioners Voting:     Chairman Hal Stratton  
   Commissioner Thomas H. Moore

ITEM:

Dynacraft BSC, Inc. Civil Penalty Settlement for \$1,400,000  
(Briefing package dated October 21, 2004, OS No. 3316)

DECISION:

The Commission voted unanimously (2-0) to provisionally accept a Settlement Agreement and Order, which would order Dynacraft BSC, Inc., to pay a civil penalty of \$1,400,000. The Commission Compliance staff has alleged that Dynacraft failed to timely report to the Commission that defective forks on the Vertical XL2, Magna Electroshock, Next Shockzone, and Next Ultra Shock bicycles could break apart and separate from the wheels, causing riders to lose control of the bicycles and suffer serious injury or death. The Compliance staff is also alleging that Dynacraft failed to timely report to CPSC that defective pedals on its Magna Equator bicycles could loosen and fall off, causing riders to lose control of the bicycles and suffer serious injury or death. Dynacraft violated the reporting requirements of section 15(b) of the Consumer Product Safety Act (CPSA), 15 U.S.C. § 2064(b). The failure to furnish information required by section 15(b) is a prohibited act under section 19(a)(4) of the CPSA, 15 U.S.C. § 2068(a)(4). Section 20(a)(1) of the CPSA, 15 U.S.C. § 2069(a)(1), permits the imposition of civil penalties for any person who knowingly violates section 19 of the CPSA by a company's failure to report information under section 15(b).

For the Commission:

A handwritten signature in black ink, appearing to read "Todd A. Stevenson".

Todd A. Stevenson  
Secretary

\* Ballot vote due November 3, 2004